



Scaling up: leveraging landscape approaches to successfully organize sustainability at scale

In brief

This document provides a high-level overview of the **benefits** that can result from organizing sustainability efforts through a landscape approach: increased **impact of efforts**; more **effective collaboration**, empowerment and **commitment**; better **investment decisions**; and **decreased sourcing & brand risk**. It describes the concept and benefits and ends by defining the elements of a successful approach. Through this simplified overview, it challenges the reader to consider how to integrate landscape thinking to **effectively achieve sustainability & business impact through scale**.

Introduction: the need for sustainable landscapes

Agricultural commodity sectors, especially those in tropical areas, are closely associated with enormous social and ecological challenges, such as poverty (and lack of access to finance), exploitation, deforestation, loss of biodiversity, and vulnerability to external shocks. The outcomes of production systems set up for short-term financial gain.

Industry actors and civil society representatives are keenly aware of the brand and sourcing risk presented by (tropical) agricultural commodities supply chains, and the responsibility they carry to provide solutions. Despite ongoing efforts, sector stakeholders are unable to tackle these issues in a

structural way, since solving them goes beyond the responsibility, capacity, and scope of single actors. By shifting focus to an entire production landscape, it becomes possible to involve a greater number of stakeholders and **tackle sustainability challenges structurally, at a scale which makes sense**, instead of on a producer-by-producer or community-by-community basis.

How to scale?

The question that is in the mind of today's leaders when it comes to meeting the enormous social and ecological challenges facing agricultural commodity sectors is: how can we bring this to scale? The **benefits of scale** are apparent: increased **impact of efforts**; more effective ways of **collaboration, empowerment and commitment**; and **decreased sourcing & brand risk**.

Significant efforts and resources are needed to address ecological and social challenges and scale provides a pathway to a more viable investment case. Current initiatives generally focus on the right issues but lack the scale and coordination to meet sector-wide challenges.

To create a viable investment case, strengthen stakeholder engagement and ensure impact is made, there is a need for a more integrated, coordinated, and scalable approach to sustainability.

What are landscape approaches?

Landscape approaches are patchworks of natural and human-modified ecosystems, and provide a complex and interconnected system of ecological, social, and economic values and functions. Their boundaries can be defined in several ways, including High-Conversation Value, watershed, and culturally or politically motivated.

The 'Jurisdictional Approach' (JA), first pioneered in efforts on sustainable forestry (e.g. REDD+), has created growing interest in approaching the challenges of agricultural commodities with a 'landscape' lens. The core of the JA centers around governmental involvement in conservation and restoration efforts and using politically defined boundaries.

However, due to a strong conservation focus, current JAs have the tendency to be further removed from market demands and dynamics, and struggle to eventually realize the adoption of the industry's critical mass.

Economically viable, sustainable production at scale is possible, but requires us to transform agricultural supply chains and increase the effectiveness of improvement efforts.

Sustainable Sourcing Landscapes

The concept of **Sustainable Sourcing Landscapes (SSL)** provides a framework to tackle



issues at the scale of a landscape and drive the transition of entire regions to sustainable production. It differs from other landscape approaches by **considering from the start how regional and international supply chains factor into the landscape level approach**, and how their influence can be leveraged for structural change; moving **beyond the level of individual producers and projects**

SSLs build on the existing infrastructure of local initiatives, supply-chain efforts, and farm-level interventions, and aim to strengthen this existing infrastructure through the **triple pay-off of SSLs**:



1. **Increased impact of current sustainability efforts** through regional coordination, scale effects, and centralized management;



2. **Effective collaboration, empowerment, and commitment** of stakeholders relevant to the entire (economic) landscape;



3. **Mitigated sourcing and brand risk** by addressing root causes at the relevant scale (farm/community, supply chain, sector), building on local capacity and assets, and allowing for transparent and traceable impact.

The path to realizing an SSL is organization- and region-specific. Therefore, below we will outline what we see as the main success factors for realizing these approaches.

Elements of success

Based on our experience, the successful realization of SSLs follows the **Six Key Elements of Market Transformation**, which we will expand on below:

1. Shared vision

Ensure that the ‘vision of success’ and sustainability objectives of the organizations in the lead are aligned and come together into a shared regional strategy. It is important to involve actors from the market and investment side as early as possible in the shaping of this vision.

Set up an inclusive process stakeholders dialogue and strategy development with regional, national, and global stakeholders, to **build ownership and capacity, and create priorities that are relevant for the region**.

2. Actionable strategy

Based on the regional priorities, **identify local assets and engage local initiatives** to determine where main gaps lie and develop an **action-oriented and timebound roadmap** to address the main issues. Decide on which topics to initiate, collaborate, join, or influence.

Leverage the knowledge of (local) staff and partners (service delivery, supply chain, civil society) to validate the regional strategy and co-create the main indicators for success.

Once it is clear how the sourcing landscape needs to change, identify the most relevant scenarios for the transition, and

map the required changes (technical, political, etc.) to both the supply chains and the landscape they are in.

Remember that structural, sustainable change takes time, so develop your strategy for the long-haul.

3. Clear roles & responsibilities

To empower and engage local stakeholders and build capacity for solving issues locally, build on principles of multi-stakeholder governance, and strive for balance (industry/civil society/government, global north/south, local/int'l, etc.).

The right people should be at the table, at the right time: involve key stakeholders that are willing to contribute and provide credibility to the initiative at an early stage, but ensure they bring relevant experience and are constructively critical to the process and outcomes. **Keep the decision-making process clear, transparent, and effective**, and separate advisory and executive roles. Most importantly; things change, and so do roles & responsibilities. The governance structure should not be exempt from continuous review and improvement.

4. Sustainable business case

In the end, **transitions are about positive and negative incentives**; often referred to as ‘carrots’ and ‘sticks’. Producers and suppliers should be approached as professionals and entrepreneurs, and a clear business case with the right incentives is required to ensure they commit to the time, effort, and money required for the



proposed transition, because they understand “**what’s in it for them**”.

Both supply chain partners and governments play an important role in creating the environment for change.

Supply chain partners play an important role in creating the positive incentives, or ‘carrot’, for sustainable production; investing in support (financing, training, services, materials), further development and strengthening of local approaches, sourcing in higher volumes and with longer-term commitments, and even investment into the local infrastructure directly affecting the performance of their supply chain.

Governments can also play a role in creating the enabling environment to incentivize sustainable production through e.g. preferential sourcing, service delivery, and investment. However, their role is traditionally more focused on creating the incentives to dissuade continued unsustainable behaviour (the ‘stick’), such as e.g. legal repercussions, land use, and permits.

The timeline for the realization of a SSL can be anywhere from five to fifteen years. Therefore, the initiators need to consider clarifying the distribution of costs and benefits over this timeline and design the incentives to support long-term progress.

5. **Measured progress**

Develop a solid framework for analyzing the quantitative and qualitative impact of efforts; **let the facts guide** decision making,

inform progress reporting, drive continuous improvement, and build the value proposition of the initiative(s).

Utilize **technology** where possible to scale the process of monitoring (satellite data, smartphones).

Effective measurement and evaluation will also allow you to draw learnings from the set-up and realization of SSLs which in turn unlock standardization and **replication** in other areas: this is the key to growing your impact.

6. **Effective organization**

To fully capitalize on the value offered by sustainable sourcing landscapes, it is critical to **build credibility** through verification and assurance.

Scalable assurance can be achieved by designing a fit-for-purpose regional organization with an internal management system to verify impact is made the way it is expected, built on local capacity and empowerment of local stakeholders to self-organize.

The financial landscape

There are a wide variety of for-profit, not-for-profit and blended financial mechanisms that can support investments in an SSL.

Although the financing of landscape and area-based approaches deserves more attention than we can give it here, it is crucial to **involve actors from the financial sector at an early stage** and ensure that the scoping of the finance and investment flows and mechanisms in the landscape are considered.

Where to next?

No two sourcing landscapes are the same. Therefore, this primer acts as input for the dialogue on the shift to regional sustainability.

NewForesight drives innovation in the field of sustainability. Over the past years we have worked with corporate clients, sustainability programs and platforms, standards, governments, donors, and investors to address the systemic bottlenecks in sustainable production. Many of our clients are directing their efforts towards building credible systems to scale sustainability.

To learn how this could benefit your organization, as well as its clients, partners, and stakeholders, **get in touch** with the experts at NewForesight.

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